



COLORADO

Department of Local Affairs

Division of Local Government

ENERGY AND MINERAL IMPACT ASSISTANCE FUND PROGRAM GRANT APPLICATION GUIDELINES

The following guidelines are designed to assist potential applicants in achieving funding within the Energy and Mineral Impact Assistance Fund (EIAF or Impact) program. Any organization applying for a grant in this program will be required to certify that the project for which funding is being requested has been well planned, evaluated, and that no state or federal laws will be broken.

Potential applicants are required to contact their Regional Manager for guidance and questions prior to applying. Please visit the Department of Local Affairs website at <https://www.colorado.gov/pacific/dola/regional-managers> where the contact information for Regional Managers can be found.

Table of Contents

Grant Program Purpose	3
Eligibility	3
Financial Assistance	6
Matching Dollar Requirements	8
Application Form	9
Application Deadlines	10
Application Review	10
Funding Decisions	14
Appendix A: Policies Related to Specific Grant Requests, by Type	15
Appendix B: Statewide Programs and Initiatives	19

Grant Program Purpose

The Department of Local Affairs' (DOLA) Energy and Mineral Impact Assistance Fund (EIAF) program was created to assist political subdivisions that are socially and/or economically impacted by the development, processing, or energy conversion of minerals and mineral fuels. Funds come from the state severance tax on energy and mineral production and from a portion of the state's share of royalties paid to the federal government for mining and drilling of minerals and mineral fuels on federally-owned land. The creation of the fund is outlined in C.R.S. 34-63-102 (Federal Mineral Lease) and C.R.S. 39-29-110 (Severance). Grant dollars are awarded for the planning, construction, and improvement of public facilities, and for the provision of services by political subdivisions.

Eligibility

Political subdivisions of the State of Colorado (local governments) are eligible to apply for grants through this program. Local governments must be in compliance with all laws and provisions governing their operations as well as in compliance with all Department of Local Affairs programs prior to receiving an award.

DOLA's intent in administering this grant program is to do as outlined in statute utilizing a philosophy of supporting rural local governments that need financial and technical resources to promote sustainable community development, and to increase the livability and resilience of communities through strategic investments in asset-building activities. The most successful applications into this program are those that:

- demonstrate urgency and local commitment to complete the project;
- show a high priority for the proposed application;
- are prepared to start work quickly; and
- demonstrate a relationship to energy and mineral impact
- demonstrate financial need

Grants are meant to strengthen community governance through technical assistance, planning, and construction. Applicant projects can range from community strategic plans, comprehensive or master plans, and land use codes, to the construction of community capital assets.

Funds for this program are derived from Severance tax and Federal Mineral Lease (FML) dollars. The following parameters are taken into consideration when assigning severance tax and FML dollars:

- Local governments must disclose whether they can receive Severance tax funds without impacting their TABOR limits. If Severance funds cannot be used, the department may assign FML dollars.
- Counties will not receive FML dollars due to the impact of the dollars onto the organization's Payment in Lieu of Taxes (PILT) payments.

- Statewide locations where FML production occurs and for enterprise operations are prioritized when assigning FML dollars .
- An enterprise fund may request Severance dollars, however, the local government must evaluate the impact of these dollars to the enterprise status before these funds will be assigned by DOLA.

Education

Given the demand from local governments for limited grant funds, applications from higher education institutions and school districts (K-12) are generally not successful when reviewed with local government applications, due to other grant sources available specifically to them.

Requests from K-12 for funding:

- School districts should seek funding for design, and construction through the Colorado Department of Education or, in the case of energy efficiency projects, the Colorado Energy Office, or other appropriate departments before applying to this program.
- DOLA will give preference to support facility improvements that create a needed community asset available for broad public use. Collaboration with local governments in the development of these types of project applications is strongly encouraged and an inter-governmental agreement must be in place before grant contract execution. For example, school buildings often function as community centers for social events, as recreational centers, and as community libraries or service centers for outreach assistance for the elderly or at-risk families. The use of the building as a community asset must be agreed to by the local government and school.
- Applicants requesting support for capital facilities to be used exclusively for K-12 or higher education activities (classrooms, administration buildings and sport complexes) are not competitive.

State Agencies

State agencies are eligible to apply for and receive assistance from a portion of the Energy and Mineral Impact Fund derived from Federal Mineral Leasing revenues as found in C.R.S. 34-63-102(7). State agencies must have legislative spending authority if a Federal Mineral Lease Fund grant award is made. However, per statute (C.R.S. 34-63-102(7)(b)), state-supported institutions of higher education that provide job training or facilities related to energy development for counties or communities with energy impacts may expend moneys from the Local Government Mineral Impact Cash Fund without separate legislative authority.

State agency requests must have the support of benefiting local governments and meet one or more of the following conditions:

- The project must have a direct benefit or service to local governments and, if an award is made, an inter-governmental agreement must be in place before grant contract execution;
- The project addresses the impacts of energy and mineral development at the local, regional, or statewide level;

- The state coordinates efforts related to the planning or implementation of mitigation activities that relieve the impacts of energy/mineral development;
- Communities have identified the need for state involvement in the solution of local problems that may extend beyond municipal, county, or regional jurisdictional boundaries.

Volunteer Firefighter Departments

Per C.R.S. 39-29-110 (1) (b) (IV), the DOLA Executive Director may allocate moneys to privately organized volunteer fire departments serving areas that are socially or economically impacted by energy and mineral development. Given the demand among local governments for limited grant funds, applications from Volunteer Fire Departments are generally not successful.

It is strongly recommended that Volunteer Fire Departments first pursue funding through the Local Firefighter Safety and Disease Prevention Fund (in 24-33.5-1231), administered by the Division of Fire Prevention and Control with the guidance of the Fire Service Training and Certification Advisory Board.

To be considered eligible, the Volunteer Fire Department must:

- Have been organized under C.R.S. 24-33.5-1208.5;
- Have been in existence for three years;
- Be able to provide three years of financial data; and
- Be registered with the Division of Fire Prevention and Control.

In alignment with C.R.S. 24-33.5-12.08.5(6)(c), Volunteer Fire Departments requesting funds must first consider inclusion of the proposed service area into one or more existing fire protection districts, metropolitan districts, or an adjacent or nearby fire department.

Definitions

Fire Department means the duly authorized fire protection organization of a town, city, county, or city and county, a fire protection district, or a metropolitan district, or county improvement district that provides fire protection. Fire Department also includes volunteer fire departments organized under C.R.S. 24-33.5-1208.5.

Volunteer Fire Department means a nongovernmental unit organized in accordance with C.R.S.24-33.5-1208.5 as a nonprofit organization with a primary purpose of firefighting, fire protection, or other emergency services to a defined service area recognized by the appropriate governmental entity with jurisdiction for the area the unit serves.

Financial Assistance

Local governments applying for a grant are required to consult with their area Regional Manager communicating their intent to seek DOLA funding support prior to application submission.

Discretionary Grants

Administrative Planning Grants (up to \$25,000; 50/50 match; total project limit \$100,000)

- Applications for administrative planning grants are accepted year-round and approved administratively, as long as funds are available. Project types include preliminary design, engineering, or feasibility studies. Projects are reviewed and approved by DOLA staff.
- A letter of request signed by the Chief Elected Official is required, addressing the following:
 - The project scope;
 - A budget and timeline;
 - Financial need;
 - Project urgency and readiness to begin work;
 - The energy and mineral impact; and
 - Jurisdiction's financial data.

Tier I Grants (up to \$200,000; 50/50 match)

- Applications for Tier I grant awards are reviewed, rated, and recommended for funding by Program staff to the DOLA Executive Director who makes the final decision on grant awards. Applications are due annually on April 1, August 1, and December 1.

Tier II Grants (over \$200,000 to \$1,000,000 or \$2,000,000 depending on fund availability; 50/50 match)

- Applications for Tier II grant awards are reviewed and scored by the Energy Impact Assistance Advisory Committee, and recommended for funding by the committee and program staff to the DOLA Executive Director who makes the final decision on grant awards. Applications are due annually on April 1, August 1, and December 1

Tier III Grants (\$2,000,000 or more)

- Applications require regional or multi-jurisdictional collaboration to solve a multi-jurisdictional problem. Applications for Tier III grant awards are reviewed by the Energy Impact Assistance Advisory Committee and recommended for funding by staff to the Executive Director who makes the final decision on grant awards. *Tier III funding is dependent on revenue availability.* Local governments receiving a Tier III grant may be asked to withdraw from future funding application cycles.

Councils of Government

DOLA has established an annual application process specifically for Regional Councils of Government (COG). Eligible applications may include the following:

- Mini-grant programs, capped at \$5,000 per project, on a cost-sharing basis between local governments and COGs;
- Technical assistance projects or programs such as: GIS services, organizational facilitation, retreat facilitation, support for planning efforts such as Broadband

- Local Technology Planning Groups, and project-specific support (e.g., grant writing, project development, and documentation);
- Regional studies and plans such as: second home studies, regional benchmark reports, regional salary comparisons, and regional housing studies;
 - Funding is not available for general administration (defined as the costs associated with the overhead operations and personnel costs of a COG). However, a COG that proposes to use existing, or new contracted personnel to work on a specific project for which grant money has been requested may be eligible.

NOTE: COGs are discouraged from applying in regular tiered grant cycles unless applying for a special Statewide Program Initiative grant, e.g.: Broadband.

Emergency Funds

Colorado communities experiencing disasters ranging from tornadoes, wildfires, and floods may request emergency grant funding through this program. Local emergencies may include unexpected or early closure of energy and mineral extraction activities.

Written requests for emergency funds must detail the applicant's financial conditions and be provided to the DOLA Regional Manager from the Chief Elected Official. Requests for funding must include one or more of the following:

- Significant negative impact on public health, safety, and/or welfare that the requested funding will address ;
 - A description of the emergency situation resulting from the disaster and the number of people affected;
 - Unforeseen or unanticipated circumstances;
 - The need for funding is time-sensitive and/or an opportunity to mitigate a future emergency will be missed (not merely delayed) without these funds;
 - Local resources to address the emergency have been exhausted;
 - Details on a federal, state, or locally-declared disaster.

Prior to awarding and contracting emergency funds, DOLA may follow the written administrative planning grant approval process for requests up to \$200,000. For requests exceeding \$200,000, the request will be sent to the Energy Impact Assistance Advisory Committee for recommendation prior to a funding determination by the Executive Director.

If approved, funding will be provided (*only*) up to the amount necessary to address the immediate threat or alleviate the immediate crisis and provide the local government time to access other funding resources.

Statewide Program Initiatives

The requirements for special funding initiatives are based upon established program criteria and additional criteria that may be established to meet the initiative's intent. Typically, a set-aside of funds is made and criteria for the initiative are posted on the DOLA website. All initiatives are reviewed by the Energy Impact Assistance Advisory Committee before they are adopted. Some initiatives are funded administratively, some require partnership with other

state agencies, and some must go through the Committee for a hearing, depending upon urgency or other guidelines.

For information on current funding initiatives, please visit the DOLA website at <https://www.colorado.gov/pacific/dola/regional-managers> or contact a Regional Manager for more information in your area.

Matching Dollar Requirements

All tiered and administrative grant requests require 50/50 matching funds from applicants unless extreme financial hardship is demonstrated, or another allowance is made by project type. For example, matching requirements may be reduced for Statewide Initiatives based on the program purpose. Typically, projects with higher matching funds receive a higher rating and are more successful in receiving grant funding. Matching funds are considered to be any cash and/or in-kind dollars brought to the project by the applicant. For further information, review the Scoring Criteria Table on page 14 of this document. If a grant award is made, local in-kind matching funds are evaluated and confirmed during the contracting phase of the project. If an applicant is using an in-kind match, the applicant must have prepared a project-tracking method to verify the in-kind match is being met.

Land purchased within the previous year may be used as in-kind matching funds. Land purchased more than 12 months prior to a grant application cannot be used as in-kind match, but will be considered in the project's "readiness to go" score. Applicants are encouraged to note land purchases completed in advance of a project to ensure they are ready to complete work, should funding be awarded.

Application Form

The application for this program can be found on the DOLA website. Because the application is routinely revised, applicants should first download the application from the DOLA website. All grant applications and attachments must be submitted via email to ImpactGrants@state.co.us copying your DOLA Regional Manager.

High Performance Certification Program

Colorado Revised Statute (C.R.S. 24-30-1305.5) requires all new facilities, additions, and renovation projects that meet the following criteria to conform with the High Performance Certification Program (HPCP) policy adopted by the Office of the State Architect (OSA):

- The project receives 25% or more of state funds; **and**
- The new facility, addition, or renovation project contains 5,000 or more gross square feet; **and**
- The building includes an HVAC system; **and**
- In the case of a renovation project, the cost of the renovation exceeds 25% of the current property value .

The HPCP requires projects that meet the criteria to achieve third party verification with the target goal of LEED Gold or Green Globes-Three Globes. Projects that meet the criteria must complete the DOLA registration and tracking process. Please visit DOLA's HPCP web page at <https://www.colorado.gov/pacific/dola/energymineral-impact-assistance-fund-eiaf-high-performance-certification-program>.

In instances where the achievement of LEED Gold or Green Globe-Three Globes certification is not possible, an applicant may request a modification of the HPCP policy or a waiver, if certain conditions exist. DOLA staff will work with applicants to identify workable solutions to meet the program's intent to maximize energy efficiencies.

Local government applicants must review and complete the HPCP Section E of the Energy/Mineral Impact Assistance Fund application. If the proposed project meets the HPCP criteria, the applicant should also complete and submit the HPCP Registration Form and Checklist along with the grant application.

State Historic Register-listed Properties

All applicants requesting funds for projects listed on the State Register of Historic Properties must indicate in their application that the History Colorado, Office of Archaeology and Historic Preservation (OAHP) is engaged in the project before applying for a grant. Prior to awarding a grant for a state-listed site, DOLA will seek a determination of effect from the OAHP via official board action—no grant dollars can be awarded by DOLA without a determination of effect being completed first.

Application Deadlines

Primary Grant Program

Requests for Administrative Planning grants are accepted year round. All Administrative Planning grant requests must be submitted to the area's Regional Manager.

Tier I and Tier II Applications are due annually on April 1, August 1, and December 1.

Councils of Government (COG)

Every October, a notice of funding availability is posted to the DOLA website at <https://www.colorado.gov/pacific/dola/energymineral-impact-assistance-fund-eiaf>. Potential applicants should contact their Regional Manager for further information.

Statewide Program Initiatives, and Emergency Funds

Applications for Statewide Initiatives and emergency funds vary. Potential applicants should visit the DOLA website at www.colorado.gov/dola for details or contact a Regional Manager for further information.

Application Review

Program Staff and Regional Managers

It is important to involve your area's Regional Manager in the early stages of any project for which you expect to submit a grant application. DOLA Regional Managers are available to assist in project development and application preparation. Upon receipt of an application, the Regional Manager and DOLA staff work together to review all applications. In addition to the Regional Manager, DOLA staff may meet with the applicant to discuss the application and project and assist applicants in preparing a project summary to help evaluate the application against the grant program rating criteria. Depending upon the project and dollar amount of the request, a review by the State's Energy and Mineral Impact Assistance Advisory Committee will be required.

Energy Impact Assistance Advisory Committee

The State's Energy Impact Assistance Advisory Committee reviews applications for Tier II and, if applicable, Tier III, grant funding at a public hearing. At the hearings, applicants present their grant request and answer Committee questions. Following the presentation, the Committee will make its recommendation to DOLA's Executive Director, who is responsible for the final funding decision. Hearings are typically held annually in March, July, and November.

The Committee is an advisory body. Applicants should not assume a grant is awarded or denied solely on the basis of the Committee's recommendation. The Executive Director makes all final funding decisions taking into consideration the recommendation from the Committee and DOLA staff.

By statute, the Committee consists of:

- Executive Director, Colorado Department of Local Affairs (Chair);
- Colorado Commissioner of Education;
- Executive Director, Colorado Department of Transportation;
- Executive Director, Colorado Department of Natural Resources;
- Executive Director, Colorado Department of Public Health and Environment; and
- Seven residents of areas impacted by energy conversion or mineral resource development.

The residents of impacted areas are appointed by and serve at the pleasure of the Governor for terms not exceeding four years. Members are eligible for reappointment. State department directors serving on the Committee may designate agency representatives to act on their behalf.

Grant Program Rating Criteria

All applications are summarized by DOLA staff, with applicant input, into a project summary that evaluates the merits of the grant request in line with the project scoring criteria.

Applications for Tier I and II grants are evaluated and scored by the Energy Impact Assistance Advisory Committee and DOLA staff based on alignment with program criteria.

Applicants are rated based on their past ability to successfully manage grant projects, that it possesses the appropriate professional and technical capacity to initiate and complete the project successfully and within the planned implementation schedule and on the following rating criteria

- **Demonstration of Need:**

The problem is clearly identified and quantifiable need is adequately described and documented.

- Maximum score: 20

- **Priority, Community Goal, Outcome:**

The project is clearly a priority of the applicant, has been well planned, and has well-defined outcomes. It addresses an identified community need or problem and is specified in documents such as a capital improvement plan, community master plan, engineering report, annual budget, and/or other related planning and development resource publications adopted or otherwise approved by the local governing body. The applicant has adequately compiled and reviewed the goals of the community at-large and has identified the project as a highly ranked need against other initiatives.

- Maximum score: 10

- **Local Effort:**

The amount of local government cash contribution and/or revenue generated from debt financing is of primary importance in demonstrating the importance of the project to the applicant. In addition, the amount of funding firmly committed from sources other than local government cash match such as in-kind contributions (i.e., the value of local government labor and equipment dedicated for use in the project), state and federal grants, and private foundation and industry financial support is also considered. While dollar-for-dollar cash match from the local government applicant is strongly encouraged to improve the application's success, the minimum local match requirement (which can be composed of local government cash and other sources described above) is 50 percent of the total project cost. If a 50 percent match cannot be committed, the applicant must provide appropriate documentation and justification for its current fiscal constraints that limit the ability to meet the program's minimum matching requirements.

The Committee will also assign 10 points based on whether: 1) the cash match is reasonable based on a review of the applicant's financial information; 2) in-kind match is appropriately leveraged given the low unrestricted fund balance; 3) the applicant attempted to or succeeded in raising rates, fees, or has a voter initiative to raise revenues; 4) the applicant has made every effort to contribute as much as

possible to the project; 5) applicant water, sewer sales, and/or mill rates are higher than statewide averages; 6) the applicant has exhausted all matching partner options (when applicable); 7) the project was deferred due to lack of funding.

- Maximum score: 15

- **Readiness to Go:**

The project can be implemented in a reasonable period of time, i.e., within 6 months following grant award. Funding sources beyond the Impact Assistance grant are pledged and ready for expenditure. The applicant has demonstrated through past performance that it possesses the appropriate professional and technical capacity to initiate and complete the project successfully and within the planned implementation schedule. Preliminary engineering has been completed and plans and permits are approved and the plan is ready for bid. In the case of design/build projects, a project contractor has been selected by the applicant.

- Maximum score: 15

- **Energy/Mineral Relationship:**

The degree to which the applicant is socially or economically impacted by the development, processing, or energy conversion of fuels and minerals. This includes current energy and mineral impacts as determined by metrics (energy worker residency, permits issued, and mineral production levels) as well as documentation of historical impacts that continue to affect the applicant, or impending impacts that will potentially affect the applicant in the future.

- Maximum score: 20

CRITERIA (points per criteria)		CRITERIA DESCRIPTION
Demonstration of Need (1-20)		<ul style="list-style-type: none"> • Problem, Opportunity or Challenge is clearly identified. • Quantifiable need is well described and documented. • Urgency and Severity of Need may increase score • Health and Safety projects may increase score • Project is a mandatory priority that must be completed
Priority, Community Goal, Outcome (1-10)		<ul style="list-style-type: none"> • The project is identified in their comprehensive or other plan • Project is the local priority • Completing the project solves the problem • Identified expected outcomes
Local Effort	Pre-scored (1-5)	<ul style="list-style-type: none"> • Cash Match is worth a potential 5 points: (50% Match Required, unless financial circumstance warrants reduction) % are rounded to nearest whole number <ul style="list-style-type: none"> ▪ Less than 25% match, 1 point ▪ 25% - 35% match, 2 points ▪ 36% - 49% match, 3 points ▪ 50% - 74% match, 4 points ▪ 75% or higher match, 5 points
	Committee Scored (1-10)	<ul style="list-style-type: none"> • Cash Match is appropriate given unrestricted fund balance • In-Kind Match is appropriate leverage given the low unrestricted fund balance • Attempted/Succeeded to raise rates, fees or voter initiative to raise revenues. • Have made every effort to contribute as much to the project as possible. • Rates are higher than statewide average • Exhausted all matching partner options (when applicable) • Deferred due to lack of funding
Readiness to Go	Pre-scored (1-15)	Pre-scored based on: <ul style="list-style-type: none"> • Project financing secured • Preliminary engineering, plans, permits, zoning, final design etc. has been completed, is being completed, has not begun at all, etc.
Energy/Mineral Impact	Pre-Scored (1-10)	<ul style="list-style-type: none"> • Pre-scored using metrics
	Committee Scored (1-10)	<ul style="list-style-type: none"> • Project directly addresses or mitigates industry impacts (current or historic). • Project diversifies economy - post industry
		Maximum Possible Score = 80 TOTAL SCORE

Funding Decisions

A letter from the DOLA Executive Director announcing a decision to provide project funding is not a formal obligation of funds by the State, but rather an offer to enter into a grant contract for the dollar amount and project specified. Conditions, such as the formation of a taxing district, increased local government project matching funds, or development of necessary plans, may be stated as a contingency in the letter. Such conditions must be met either prior to or during the project performance period at the discretion of the department.

The grant award offer is valid for *up to one year*. In unforeseeable circumstances when the grantee is unable to execute the contract within the one year period, the grantee *must request an extension of the award prior to its expiration through the Regional Manager*. There is no guarantee that an extension request will be granted, and if denied, the award offer will be withdrawn.

Applicants are notified of award decisions via letter to the Chief Elected Official of the applicant jurisdiction.

Tier I applications will receive award notifications within eight weeks of application.

Tier II applications submitted on:

- April 1 will be presented to the Committee at Hearings in July.
- August 1 will be presented to the Committee at Hearings in November.
- December 1 will be presented to the Committee at Hearings in March.

Award notifications will be made three weeks after each grant Hearing.

NOTE: Grantees cannot begin work on the project awarded grant funds until after receiving an executed grant agreement from DOLA, i.e., an executed grant contract is one that has been signed by the State Controller.

Appendix A: Policies Related to Specific Grant Requests, by Type

Administrators/Managers

DOLA works to promote the professional local government management field and to increase the management capacity of local governments in Colorado through the placement of professional city/town managers in communities who have not employed one in the past. These jurisdictions must work with their Regional Managers to determine the most appropriate path forward to hire a professional manager. Grant funding for local government administrators/managers will constitute a three year commitment by DOLA to the jurisdiction. This commitment could include salary, benefits, and new operational expenses incurred in establishing a new position. In the first year, DOLA will match 75% to local 25% match; the second year, 50% DOLA to 50% local match; and the third year, 25% DOLA to 75% local match.

Hazardous Waste, Hazardous Materials and Contaminated Properties

DOLA does not fund projects that occur on contaminated properties or that will result in a potential liability to DOLA as the responsible party. While it is understood that at times a project may require disposal of hazardous waste or the transportation of hazardous material, DOLA will not fund these activities.

Housing

Due to the immense deferred maintenance of critical local government infrastructure, this program is not intended to be used as funding for housing related projects. The program funds public facilities open to the general public and are seen as a community asset. If an application is submitted for housing work, the applicant will first be asked to contact DOLA's Division of Housing. This program will fund community-wide housing needs assessments; however, assessments to prepare development plans for a neighborhood may not be successful. Additionally:

- Affordable housing projects are the only projects supported through this program.
- The program will only fund infrastructure below ground and off-site for utilities like storm drainage, and will not fund actual housing construction, including underground utilities.
- Applications for housing projects must be a top priority of all participating local governments and demonstrated as such in their comprehensive plan or a related community plan.
- A connection to energy and mineral impacted areas must be clear.

Land Use Plans and Regulations

Historically, DOLA has funded comprehensive plans and land use regulations submitted by municipalities and counties. The department uses best practices to support improved long-term community development outcomes.

When funding comprehensive plans, the department **requires** that the following project components be included in the scope of work:

- A plan for three miles outside municipal boundaries also known as the three mile plan per C.R.S. 31-12-105(1)(e)(I).
- The plan should identify the risks and vulnerabilities of natural and human caused hazards and goals, strategies, and/or actions to address these hazards. (This is not to be confused with the county's hazard mitigation plan, but would take information from that plan and consider how to address that information in the comprehensive plan's goals and strategies for future development.)
- Identify recommendations for land use code updates to conform to an updated comprehensive plan. The department may fund land use code updates.
- Demonstrate the engagement of neighboring jurisdictions and major service providers/special districts impacted by growth and development

The department **strongly encourages** the following when reviewing comprehensive plans:

- Land use code updates: Because the land use code implements a comprehensive plan, a complete land use code update is strongly recommended, and may be required in the grant contract to accompany or immediately follow a comprehensive plan update. The department also encourages the inclusion of hazards planning in land use codes.
- Intergovernmental agreement(s) (IGA) with neighboring jurisdiction(s) to establish the mutually agreed upon area outside the municipality's boundaries that would be subject to a joint review process for development proposals to ensure consistency with plans. In addition, the IGA will address how infrastructure will be provided or upgraded and maintained in areas of mutual interest and engage major service providers/special districts, as applicable.
- A water supply and conservation component to ensure sufficient water supply for the projected development and an overall water conservation strategy. (*Colorado Water Conservation Board may be able to fund this element*)

Parks, Recreation, and Trail Projects

Due to the limited amount of Impact funds available, local governments interested in funding for outdoor recreation projects will be directed to consider other outdoor recreation funding sources, such as Great Outdoors Colorado (GOCO). Grant applications are often more successful when they leverage funding and are a community priority.

Power Purchase Agreement in Energy Improvements

DOLA will consider the use of Power Purchase Agreements (PPA) in certain circumstances. The benefit of the PPA must support a qualified government and the equipment must eventually be owned by the qualified government. In the event the qualified local government does not want to own the equipment used to create the PPA, DOLA may consider funding under the following conditions:

- The PPA must benefit a qualified government:
- The term of the PPA between the vendor and the qualified local government must generate savings equal to or greater than the grant award.

Road, Bridge and Street Improvements

The construction or replacement of a bridge or culvert is considered a major infrastructure project. Applications are more successful when there is a strong connection to industry activity. The total volume of vehicle traffic, also known as an Average Daily Traffic count (ADT), is required from applicants for all road, bridge, and street improvement projects.

Road and street improvements and maintenance are the responsibility of the local government. DOLA may fund a local government road or street project under these circumstances

- Paving projects on county roads and municipal streets directly impacted by the energy and mineral industry. NOTE: Projects on roads and streets with little relationship to the impacts of the energy and mineral industry are not considered competitive.
- Paving projects must utilize a permanent material.
- Applicant should demonstrate that any paving projects are improvements rather than maintenance.
- Road and street paving projects important to economic development including those identified in Main Street Program project areas.
- Engineering of the road and street improvement being requested must be completed before application submission for DOLA to ensure that projects will be successful once implemented. Unsigned review by an engineer is not sufficient to satisfy this requirement.
- Residential and/or private roads not constructed or maintained by local governments are not eligible for grant applications.
- Drainage improvement projects directly related to roads impacted by the energy and mineral industry or with an identified safety hazard will be considered. Curb, gutter, valley pans, culverts, etc. are eligible for street and road projects when coordinated with a road or street improvement.
- Sidewalk improvements related to road and drainage funded projects must implement a management plan or study and an implementation schedule before grant award.
- Grant applications will not be accepted for work on federal or state highways.

Rolling Stock/Vehicle Replacements

DOLA does not invest grant dollars in rolling stock (road maintenance equipment, firefighting apparatus, ambulances, public safety vehicles, etc.) for local governments. It is the position of the department that local governments should be planning for and building into their budgets necessary funds to replace vehicles and equipment on an ongoing basis. DOLA may assist a local government with the establishment of a rolling stock replacement program.

Circumstances in which DOLA may be willing to consider funding equipment are as follows:

- Documented evidence of firefighting apparatus shortages in past response to or in preparation for response to wildfires.
- Situations wherein road maintenance or emergency response capabilities directly related to energy or mineral impact activities require equipment purchases that might otherwise exhaust local financial capability and local revenue-raising has been insufficient.

Local governments wishing to diversify fleet fuels, build aggregated demand for private investment in fueling stations, or that have adopted fleet sustainability goals may request funding for the increment upgrade costs associated with replacement of fleet vehicles to alternative fueled vehicles (AFV). AFVs may include compressed natural gas (CNG), CNG bi-fuel, propane, or plug-in electric vehicles. The local government is required to provide a financial match that is equivalent to 100% of the cost of a standard vehicle and demonstrate the ability to build replacement of the alternative fuel vehicle into its fleet management program.

Short-term Equipment and Assets Replacement

DOLA does not provide funding for short-term equipment purchased for local governments. It is the position of the department that local governments should be planning for and building into their budgets the necessary funds to replace short-term assets and equipment on an ongoing basis. However, DOLA may assist a local government with the establishment of a replacement program.

Digital Trunked Radio (DTR) Communications

DOLA will consider funding the purchase of DTR communication consoles for local governments under the following conditions:

- The DTR Communications console equipment is compatible with the current State DTR Communications system. The equipment proposed for funding in this program should be consistent and compatible with the area's Regional Communications Interoperability Plan.
- The local government must demonstrate that they cannot acquire this equipment through other funding mechanisms such as a lease purchase agreement, local financial institutions, or with cash.
- The local government must provide a 50% cash match.
- If the jurisdiction is dispatching for other entities within its region (i.e. fire districts, EMS, municipalities etc.), they must establish a charge-for-service for dispatch service.
- The local government must demonstrate that the requested funding for equipment is one time funding and that the local government has a fiscal and operational model in place that is self-sufficient, sustainable, and locally funded for the future. If such financial planning is not in place, the local government will be required to implement a fee to ensure future replacement as a condition of the grant.
- The local government must demonstrate that the funding assistance requested is the only method available to secure safe and reliable communications for their region and

that all cooperative and regional solutions have been investigated and eliminated as unworkable.

E-911 Policy:

If a local government can demonstrate that they have established their E-911 tariff at the maximum allowable charge through the Colorado Public Utilities Commission waiver process, the application for E-911 related projects will be more successful.

Uranium Mill Tailings:

Per 39-29-110 (1)(b)(III)(C), up to \$50,000 is made available each state fiscal year to political subdivisions that include mill sites designated for cleanup pursuant to federal Public Law 95-604 for reimbursement of actual, documented costs related to the cleanup of uranium mill tailings. To ensure appropriate documentation, applicants for these funds must submit their request for reimbursement through the appropriate Tier I application cycle. Funds awarded will be on top of the cycle award amount and these applications will not need to compete against other applications submitted. However, all documented costs related to the cleanup must be provided as an attachment to the application.

Alternative Fuels

Objective

To support local government efforts in the use of alternative fuel vehicles, and the construction of alternative fueling stations.

Application Process

Before submitting an application, local governments are required to first consult with the DOLAs partner agencies: Colorado Energy Office and the Regional Air Quality Council regarding fueling stations and the purchase of alternative fuel vehicles.

Applications will follow the regular grant application guidelines, amounts, cycles, and timelines.

Funding Opportunities Include

- Increment upgrade on the replacement of a vehicle to one that is alternative fuel.
- Alternative fueling station infrastructure for publicly-owned fleets.

Additional Funding Requirements and/or Consideration

- DOLA partners with the Colorado Department of Transportation (CDOT), the Colorado Energy Office (CEO), and the Regional Air Quality Council (RAQC) to support the use of alternative fuel vehicles throughout the state by assisting with the purchase of alternative fuel vehicles and fueling station infrastructure.
- Matching fund requirements for alternative fuel vehicles are the primary replacement cost. In the case of fueling stations, matching funds required are 50% unless an applicant can show that their financial conditions are such that only 25% match is available.

- School districts are generally not competitive applicants when reviewed with local government applications, due to the other grant sources available specifically to them.

Broadband

Objective

To support local government efforts to provide public institutions, private businesses, and local citizens with access to reliable broadband service at affordable costs.

Application Process

Applications follow the regular grant application amounts, cycles, and timelines.

Funding Opportunities Include

- Regional Planning and Interconnectivity
- Middle-mile Infrastructure

Additional Funding Requirements and/or Consideration

- Because of the technical complexity of these grants, a more in depth review by DOLA staff is required. Applicants must contact their Regional Manager prior to submitting a grant application.
- A 25% match is required for regional planning grants
- A 50% match is required for middle-mile infrastructure

Appendix B: Statewide Programs and Initiatives

Please contact your Regional Manager for current information on these programs and initiatives or visit the DOLA website at www.colorado.gov/dola. The following is summary and does not cover all programmatic or initiative requirements.

Statewide Programs

Best and Brightest Management Intern Program

Objective

To support local government management interns in partnership with participating local governments and the University of Colorado.

Application Process

Local governments must contact the respective Regional Manager for application process details.

Funding Opportunities Include

- Participating towns and counties will be provided with one full time (40 hours per week) general management intern for two years.
 - Students accepted into the University of Colorado's program will complete a master's degree in Public Administration or Political Science with an emphasis in politics and public policy.
 - Students receive an annual salary and benefits package totaling \$46,000.
- Each jurisdiction will match DOLA's award of 50% toward each student's annual salary and benefit package.

Additional Funding Requirements and/or Consideration

- Local governments will determine the necessary job requirements for interns.
- Local governments must develop a job description and work plan, as well as a plan for mentoring the intern throughout their time in the position.
- Upon completion of the two-year program, each student will have completed all of the requirements for a master's degree in Public Administration or Political Science with an emphasis in politics and public policy while also gaining two years of invaluable applied experience.

Main Street Program

Objective

To strengthen local governments and downtown organizations through a nationally-proven process that implements community needs and ideas to create a downtown revitalization strategic plan. If accepted into the Main Street program, communities are eligible for financial and technical support. While the program focuses on the participating Main Street

communities, other communities may benefit by joining as Affiliates or attending trainings to learn the methodology and lessons learned from other communities.

Funding Opportunities Include

- Mini-grants offered to communities participating in the Main Street program based on their annual work plan.
- Through a prequalified consultant pool, financial assistance is offered for extensive technical expertise and assistance.

University Technical Assistance

Objective

In collaboration with the University of Colorado, the University Technical Assistance (UTA) program provides rural local governments with planning and preliminary design assistance. The UTA program engages higher education interns in real-world projects that benefit rural communities, saving local governments money, and providing students with valuable work experience. All projects and interns are supervised by university professionals.

Application Process

Local governments interested in assistance must contact the University of Colorado Technical Assistance group through their area Regional Manager.

Opportunities Include

- This program provides public engagement, planning and preliminary design assistance through the University Technical Assistance interns.
- Students complete preliminary plans and designs that can be used to inform and engage community members in a project and to apply for project implementation grants.

Funding Requirements and/or Consideration

Once a project is identified, a scope of work, timeline, and budget are created and approved by the community, UTA, and DOLA. The local government receiving technical assistance will provide 50% of the project costs and 50% of the cost will be provided through the program.

Statewide Initiatives

Fiscal Stability Initiative

Objective

Support local government efforts in implementing financial management best practices.

Application Process

Applications follow the regular grant application amounts, cycles, and timelines.

Funding Opportunities Include

- Five-Year Capital Project Planning
- Financial Capacity Analysis
- Financial Checkup
- Asset Inventory and Management
- Fiscal Health Diagnostic Tool
- Program Costing

Additional Funding Requirements and/or Consideration

- Matching funds required at 50% unless extreme financial hardship is demonstrated.